

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

LEIGHTON TECHNOLOGIES LLC,)
)
Plaintiff,)
)
vs) Case No.
) 04-cv-02496 (CM) (LMS)
OBERTHUR CARD SYSTEMS, S.A.,)
OBERTHUR CARD SYSTEMS OF)
AMERICA CORPORATION,)
)
Defendants.)

ORIGINAL

Deposition of Richard Smith

taken on

Wednesday, November 16, 2005

Reported by: Emma P.J. White

1 together of laminators and material packs, and we
2 have shown samples today where there was more sales
3 to what we would term the, "End user", rather than
4 the plastic card manufacturer. It would also have
5 gone to the same 200 that we talked of earlier, but
6 even wider distribution.

7 Q. Turn to the first page, if you could. It
8 says in the first full sentence here:

9 "The trend away from polyester cards
10 towards high security PVC identity cards
11 has been hampered in the past by the
12 need for laminating equipment capable of
13 achieving professional results by
14 unskilled operators".

15 How had the manufacturing of PVC
16 identity cards been hampered in the past prior to
17 the creation of this document?

18 A. The definition of, "Hampered", in that
19 particular phraseology is relating to the poor
20 quality of lamination that we mentioned earlier with
21 machines like the HARCO machine, the single pressure
22 machine.

23 Q. Let's turn to -- I believe it is the sixth
24 page. It is the picture showing a setting for card
25 reading applications. Could you explain for us,

1 Mr. Smith, what the layers that are shown in this
2 card set are?

3 A. This card set is one of a number that would
4 have been available. The number of layers indicated
5 here is not fixed, but I will describe what you have
6 here. Starting from the base this is the back printed
7 layer. The next level shows a solid or recessed core
8 material for the introduction of the electronic
9 machine readable level. Above that is the solid sheet
10 to encapsulate the electronic panel, followed by a
11 cut-out area where the photograph is introduced, and
12 the very top layer is a transparent layer so as to
13 view the photograph.

14 Q. There are five plastic levels that are
15 shown? Is that right?

16 A. In this case, yes.

17 Q. This is the only card set that you
18 described in the declaration that you submitted in
19 this case; right?

20 A. That's correct.

21 Q. Let's talk about the purpose of the bottom
22 plastic opaque level that you mentioned. With
23 regard to this particular card set, what was the
24 function of that bottom level, or I guess we could
25 call it even the, "Fifth level"?

1 A. May I just -- I think it is easier if you
2 just refer to them as 1-5.

3 Q. That makes perfect sense. Okay. So, the
4 third level, which here shows a photo on it, is
5 directly on top of, or would cover the fourth level
6 which holds the inductive coils; right?

7 A. That's correct.

8 Q. The second level with regard to this
9 particular card set, what would the purpose of that
10 level be?

11 A. That has a cut-out in so that it acts as
12 a spacer to take up the thickness of the photograph.

13 Q. And the first level is essentially
14 a plastic -- transparent plastic sheet? Is that
15 right?

16 A. That is it. Plastic transparent PVC.

17 Q. What is the purpose of the plastic substrate
18 that is contained on the fourth level?

19 A. Are you referring to the surround? I am
20 not clear of your question here, because you
21 referred earlier to the inductive layer as being the
22 plastic.

23 Q. Well, I will refer to your declaration,
24 because this may help you. You say that the third
25 opaque plastic level which is the fourth level that

1 we are looking at, has an inserted plastic substrate
2 carrying inductive coatings. So, my question was;
3 what is the purpose of the inserted plastic substrate
4 that you have referred to?

5 A. Okay. That is part of the machine reading
6 system to communicate with external electronic
7 readers.

8 Q. How does it do what?

9 A. This is an electronic means, and I understand
10 it is by induction.

11 Q. And the plastic substrate also carries the
12 coils; right?

13 A. That's correct.

14 Q. Does that plastic substrate insulate the
15 coils from pressure during the lamination process in
16 any way?

17 A. It is the upper and lower levels, that is
18 Level 3 and 5 on this diagram, that creates that
19 cushioning.

20 Q. It is your testimony that Level 2 would
21 not provide any cushioning to the coils during the
22 lamination process? Is that correct?

23 A. All of the layers here are part of the
24 same assembly, so there must be an influence of each
25 layer on the total assembly.

1 Q. Each layer would have some protective
2 effect to the coils during the lamination process,
3 right?

4 MR. JAMES JACOBS: Objection. I don't think
5 he has ever testified -- sorry. Objection.

6 THE WITNESS: To a limited, greater or limited
7 degree, yes.

8 BY MR. BLAIR JACOBS:

9 Q. Have you heard before of something that was
10 used in the industry known as a, "Buffer zone"?

11 A. No. I am not familiar with that term.

12 Q. If I asked you to identify -- do you have
13 an understanding of what the term, "Core sheets",
14 is?

15 A. Yes, I do.

16 Q. What is your understanding of core sheets?

17 A. The core sheets are those white opaque
18 levels that are not the transparent. They are made
19 of a different material to the transparent.

20 Q. So, with regard to the five -- we have
21 numbered them 1-5 now to make it easy -- the five
22 layers that are shown here, what would your view
23 be -- what would the core sheets be in this diagram?

24 A. The core sheet material would be those
25 shown as 2, 3 and 4.